

PUBLIC SERVICE COMMISSION OF WISCONSIN

Investigation on the Commission's Own Motion to Ensure Safe, Reliable
and Affordable Access to Utility Services During Declared Public Health
Emergency for COVID-19

5-UI-120

SUPPLEMENTAL ORDER ON RESIDENTIAL DISCONNECTIONS – FIFTH

This is the Supplemental Order on Residential Disconnections - Fifth discontinuing the requirement that utilities submit quarterly reporting on arrears and collection information, and information regarding the utilities' plans for communicating with customers about collections and arrears management, and the financial impacts of the utilities' arrears.

Background

As part of the ongoing Investigation on the Commission's Own Motion to Ensure Safe, Reliable and Affordable Access to Utility Services During Declared Public Health Emergency for COVID-19 in this docket, in its April 5, 2021, Supplemental Order on Residential Disconnection – Fourth ([PSC REF#: 408377](#)), the Commission ordered that all electric, gas, and water public utilities continue to submit quarterly reports on arrears and collection information, including information regarding the utility's plans for communicating with customers about collections and arrears management, and the financial impacts of the utility's arrears, until further order of the Commission. ([PSC REF#: 408377](#).) At its open meeting of December 16, 2021, the Commission reviewed an analysis of the data gathered under this reporting requirement covering the previous three reporting quarters. Based on data demonstrating a downward trend in customer arrears, in concert with the various methods Commission staff will continue to

utilize for data collection, the Commission finds it reasonable to discontinue the reporting requirement.

Opinion

The Commission has jurisdiction under Wis. Stat. § 196.02(1) to regulate every public utility in this state and to do all things necessary and convenient to its jurisdiction. Wisconsin Stat. § 196.70 authorizes the Commission to temporarily alter or amend any existing rates, schedules, or orders. The Commission has discretion to determine when circumstances no longer warrant the temporary tariff alterations, and to prescribe for how long the order will be in effect. Wis. Stat. §§ 196.40 and 196.70(2). In making such alterations, the Commission also exercises its discretion under Wis. Admin. Code §§ PSC 113.01(2), PSC 134.01(2), and PSC 185.11(4) to adopt requirements that are greater, lesser, or different from the requirements otherwise applicable under the administrative code, based upon considerations relating to “exceptional or unusual situations.”

Required Quarterly Reporting Information

Currently, utilities are required to submit quarterly information regarding arrears, collection information and the utility’s plans for communicating with customers about collections and arrears management until further order of the Commission as part of this docket. Since the issuance of on the Commission’s April 5, 2021 Order in this docket, all water, electric, and natural gas public utilities have been required to submit quarterly reporting for the last three quarters, covering the periods of January 1-March 31, 2021, April 1-June 30, 2021 and July 1-September 30, 2021.

At its open meeting of December 16, 2021, the Commission reviewed the data gathered under this reporting requirement, which demonstrated that customer arrears have decreased from 2020 to 2021 and continue on a downward trajectory coming into 2022. The increase in financial assistance available to qualifying customers, utilities offering more flexible Deferred Payment Agreements (DPAs), utilities implementing arrearage management plans and programs, and increased communication efforts regarding financial resources have helped reduce customer arrears overall and lowered disconnection numbers.

Data collected under this reporting requirement has been useful in establishing an ongoing baseline to calibrate or contextualize Commission consideration of issues related to arrears, collections and customer assistance programs. However, utility response rates limit the accuracy of the quarterly reporting data. To streamline and simplify data collection efforts, Commission staff has developed a set of questions that will be added to the required Annual Report pursuant to Wis. Stat. § 196.07¹ for both investor owned and municipal utilities on residential arrears, disconnection notices and disconnections, and for municipal utilities, data on arrears placed on the tax roll. Other avenues through which Commission staff continues to collect detailed data on arrears, collections and disconnections include the Spring and Fall Utility Roundtable meetings and through the Fall Reconnection reporting pursuant to Wis. Admin. Code §§ PSC 134.0623 and PSC 113.0303.²

¹ Wis. Stat. § 196.07(1) each public utility shall close its accounts annually on December 31 and promptly prepare a balance sheet of that date. On or before the following May 1 every public utility shall file with the commission the balance sheet; counts of the numbers of meters serving residential, small commercial, and small industrial customers as of December 31; and any other information the commission prescribes, verified by an officer of the public utility. The commission, for good cause shown, may extend the time for filing the balance sheet and prescribed information.

² Wis. Admin. Code §§ PSC 134.0623 and PSC 113.0303, all gas and electric utilities are required to file a fall reconnection report with the Commission by November 15th of each year. This report states the number of dwellings assumed to be occupied where service affecting the main heat source remained disconnected for nonpayment as of November 1 and the reason why service has not been reconnected.

Based the on the most recent quarterly reporting data demonstrating a downward trend in customer arrears as well as the various methods Commission staff will continue to utilize for data collection, the Commission finds it reasonable to discontinue the reporting requirement.

ORDER

1. The Commission discontinues the requirement that all utilities must supply quarterly reporting on arrears and collection information, information regarding the utility's plans for communicating with customers about collections and arrears management, and the financial impacts of the utility's arrears.

2. This order takes effect immediately upon service.

3. Jurisdiction is retained.

Dated at Madison, Wisconsin, this 22nd day of December, 2021.

By the Commission:

A handwritten signature in black ink, reading "Steffany Powell Coker". The signature is written in a cursive, flowing style.

Steffany Powell Coker
Secretary to the Commission

SPC:KN:TK:BR:LF:kle DL:01843611